

**INTERAGENCY AGREEMENT BETWEEN THE
MICHIGAN DEPARTMENT OF TREASURY
AND THE _____**

This agreement made by and between the MICHIGAN DEPARTMENT OF TREASURY (Treasury) and the _____ is entered into solely for the effective administration and enforcement of the laws of each agency and in a manner consistent with the applicable statutes, regulations, published rules and procedures, or written communication.

This agreement serves to identify the individual and mutual responsibilities and restrictions on data access and use of Michigan tax returns and tax return information to be assumed by _____ and Treasury in the release, administration, collection, transfer, storage, analysis, and distribution of tax data.

Every authorized _____ employee who will be granted access to Treasury tax returns agrees to use the data only for the purposes of conducting audits of state agencies.

DEFINITION OF TERMS

Common Criteria for Information Technology Security Evaluation (CCITSE): A formal set of security standards delineated in version 2.1 of “Common Criteria for Information Technology Security Evaluation” (CCITSE) published by the National Institute of Standards and Technology, Computer Security Resource Center, an agency of the United States Commerce Department, Technology Administration.

Confidential Tax Information: Confidential Tax Information is any information contained within a Michigan tax return filed by a Michigan Taxpayer or any facts or information obtained in connection with the administration of a tax. This includes information or parameters that would enable a person to ascertain the audit selection or processing criteria for a tax administered by the department or collection or assessment parameters or collection information.

Disclosure Officer: A Department of Treasury employee who has the authority to disclose state tax information. The disclosure officer serves as a contact person for all governmental and non-governmental agencies that seek confidential information. The disclosure officer shall determine whether a request for confidential information meets the requirements of the Revenue Act, MCL 205.28 and the Taxpayer Bill of Rights Administrative Rules, Michigan Administrative Code, Rules 205.1001 – 205.1013 (1996 MR 8).

Electronic Media: Computer- generated objects on which data is stored. These include hard disks, floppy disks, CD ROMs, and tapes.

Interagency agreement: An interagency agreement is an arrangement between the Michigan Department of Treasury, Office of Disclosure and another Michigan state agency requesting confidential taxpayer information. The Office of Disclosure provides confidential taxpayer information

to the requesting state agency only if the requesting state agency agrees to obey the requirements set forth in the agreement, the Revenue Act, MCL 205.28, and the Taxpayer Bill of Rights Rules, Michigan Administrative Code, Rules 205.1001 – 205.1013 (1996 MR 8).

Security Features Administrative Guide: The Security Features Administrative Guide is a document that describes the protection mechanisms provided by the computer security system, guidelines on their use, and how they interact. This document will present cautions about weaknesses or flaws in the security functions. It will describe privileges that should be controlled when running a secure system. The document will be secured and locked at all times with access rights only by the System's Administrator and Security Officer.

Security Officer: An employee of a state agency with knowledge of information technology and applications and familiar with technical controls used to protect the system from unauthorized entry to ensure that the system(s) meets security standards. The security officer develops procedures to ensure that data stored in a computer cannot be read or compromised by any individuals without authorization.

System's Administrator: An individual responsible for maintaining the state agency's computer system. The system's administrator sets up new user accounts and installs system-wide software.

I. PURPOSE

This interagency agreement ("agreement") facilitates the exchange of information between the above parties and establishes conditions under which Treasury agrees to disclose confidential tax information to OAG. Any information exchanged will be used only to the extent the use is necessary for the administration and enforcement of the laws of this state and such use(s) is agreed upon by each party.

II. AUTHORITY

Authority for Treasury to enter into this agreement is contained in 1941 PA 122, MCL 205.28(1)(f), which states in part that the State Treasurer may enter into reciprocal agreements with departments of state government for the enforcement, collection of tax, and exchange of data after ascertaining that any information provided will be subject to the confidentiality restrictions in the provisions of this act.

III. EXCHANGE

It is agreed that any request filed for information will clearly state in writing the need for and intended use of the information and documents requested. The request, signed by OAG's authorized official, should be directed to the Treasurer's office.

The parties also agree that either party, at their discretion, may refuse to furnish information that a party believes would be detrimental to the administration of its laws or would identify a confidential informant or seriously impair a civil or criminal investigation.

IV. CONFIDENTIALITY

It is agreed that all information exchanged under this agreement will be kept confidential in accordance with the confidentiality provisions contained in the Michigan Revenue Act, MCL 205.28(1)(f), that states in part:

Except as otherwise provided in this subdivision, an employee, authorized representative, or former employee or authorized representative of the department or anyone connected with the department will not divulge any facts or information obtained in connection with the administration of a tax or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the department for a tax administered by the department.

The penalties for violating the confidentiality of the Michigan Revenue Act, are contained in section two, MCL 205.28(2) that states:

A person who violates subsection (1)(e), (1)(f), or (4) is guilty of a felony, punishable by a fine of not more than \$5,000.00, or imprisonment for not more than 5 years, or both, together with the costs of prosecution. In addition, if the offense is committed by an employee of this state, the person will be dismissed from office or discharged from employment upon conviction.

Confidential information obtained by either party will not be disclosed except as required by state or federal law, or in the proper administration of each party's promulgated rules and procedures. In the event confidentiality statutes are amended, Treasury will notify _____ of any changes. No employee, agent, authorized representative or legal representative of _____ will disclose any information obtained by virtue of this Agreement to any other division within _____, any other governmental agency whether local, state, federal or foreign, department or unit within such governmental agency, or any unauthorized third party. No tax returns or tax return information accessed by _____ will be duplicated or disseminated within or outside _____ without the written approval of Treasury. Tax returns and tax return information remain the property of Treasury at all times.

This section will not be construed to restrict disclosure to other employees, agents or authorized representatives of the receiving party who are charged with the administration or enforcement of the laws of this state, or to a legal representative of _____ for use in administrative, civil or criminal proceedings concerning the administration or enforcement of the laws of this state, or to other employees, agents or authorized representatives of _____ to whom such disclosure is necessary in connection with the processing, storage or transmission of such information.

Information received by Treasury from the U.S. Internal Revenue Service pursuant to section 6103(d) of the Internal Revenue Code, 26 U.S.C. 6103(d), or any other federal agency, will not be subject to

this agreement.

V. PROCEDURE FOR SECURITY

At a minimum, each party will safeguard any tax return information obtained under this agreement as follows:

- A. Access to the tax returns and tax return information will be allowed only to those authorized employees and officials who need the information to perform their official duties in connection with the uses of the information authorized in this agreement.
- B. Any records created from tax returns and tax return information will be stored in an area that is physically safe from access by unauthorized persons during duty hours, and locked in a secure area during non-duty hours, or when not in use.
- C. Any records matched and any records created by the match will be processed under the immediate supervision and control of authorized personnel in a manner which will protect the confidentiality of the records, and in such a way that unauthorized persons cannot retrieve any such records by means of computer, remote terminal or other means.
- D. All personnel who will have access to the tax returns and tax return information and to any records created by the tax return information will be advised annually of the confidential nature of the information, the safeguards required to protect the information and the civil and criminal sanctions for noncompliance contained in MCL 205.28(1)(f) and (2), and will annually sign confidentiality certifications.
- E. All confidential information, electronic and paper, will be secured from unauthorized access and with access limited to designated personnel only. State tax return information will not be commingled with other information. All Michigan tax returns and tax return information will be marked,

**CONFIDENTIAL MICHIGAN TREASURY TAX RETURN INFORMATION
DO NOT DISCLOSE. PROTECT AT ALL TIMES.
Michigan tax information is exempt from disclosure
under the Freedom of Information Act.**

- F. The records will be transported under appropriate safeguards. For further information see Publication 1075 at the IRS Web site
- G. The Treasury Disclosure Officer may make onsite inspections or make other provisions to ensure that adequate safeguards are being maintained by OAG.

- H. The Treasury Disclosure Officer may monitor compliance of the system(s) security requirements during the lifetime of the agreement or any extension.
- I. The Agencies will also adopt policies and procedures to ensure that information contained in their respective records and obtained from each other will be used solely as provided in this agreement.

VI. COMPUTER SYSTEM SECURITY OF TAX DATA

Computer system security and physical security of tax data stored and processed by ____ must be in compliance with the following security guidelines and standards established by Treasury. These guidelines apply to any computer system developed by the ____, either through its own systems staff, or through a contractor, sub-contractor or vendor.

Identifying confidential tax records and defining security controls will enable ____ to protect Treasury tax return information from unlawful disclosure, modification, and destruction and unauthorized secondary uses.

Controlled Access Protection - Common Criteria: All computer systems processing, storing and transmitting Michigan tax information must have computer access protection controls in place. These security standards are delineated in version 2.1 of "Common Criteria for Information Technology Security Evaluation" (CCITSE). This document is published by the National Institute of Standards and Technology, Computer Security Resource Center, an agency of the United States Commerce Department, Technology Administration and can be found on the Computer Security Resource Center's Web site.

Security Policy: A security policy is a written document describing the system in terms of categories of data processed, users allowed access, and access rules between the users and the data. It describes procedures to prevent unauthorized access by clearing all protected information on storage objects before they are allocated or reallocated out of or into each system. Further security protocols using password protection and authentication must be provided where the computer system contains information for more than one program, project, office, or Agency so that personnel do not have unauthorized or unlimited access.

Accountability: Computer systems processing Michigan tax information must be secured from unauthorized access. All security features must be available (audit trails, identification and authentication) and activated to prevent unauthorized users from indiscriminately accessing Michigan tax information (which is defined by law as "browsing"). Every person who accesses computer systems containing Michigan tax information is accountable for their actions or actions taken using their password. Access controls will be maintained to ensure that unauthorized access does not go undetected. Computer programmers and contractors who have a need to access databases, and are authorized under the law to do so, will be held accountable for the work performed on the system(s).

The use of passwords and access control measures should be in place to identify who accessed protected information and limit that access to persons with a business need to know. Employees will not share their passwords with anyone including contractors, systems technicians or supervisors.

On-line Access: Users will be restricted to on-line functions in several ways:

1. By limiting access through functional processing controls and organization restrictions.
2. By granting access privileges through the Security Administrator of OAG to specific access limits and viewing rights to Treasury tax information.

Computer Access Rights: Access to Michigan tax return information will be accomplished by an electronic transfer of the data from Treasury's tax systems to a secured disk drive located on the _____ electronic platform.

Operating Features of System Security: The Agency must meet certain levels of protection with respect to tax return information. Individual user accountability must be ensured through user identification number and password.

Access rights to confidential tax information must be secured through appropriate levels of authorization.

An audit trail must be maintained of each access made to confidential information.

All confidential and protected information must be cleared from a system before it is used for other purposes not related to the enforcement, collection or exchange of data covered by this agreement or by an addendum to this agreement.

Hard copies made of confidential tax return information must be labeled by the system as confidential information.

Confidential Treasury tax information will be blocked or coded as confidential on each computer system.

Any computer system in which Michigan tax return information resides must systematically notify all users semi-annually of the following disclosure penalties for improperly accessing or making an unauthorized disclosure of Michigan tax return information. This statement must be used in its entirety and is subject to modification.

NOTICE TO STATE AGENCY EMPLOYEES AND AUTHORIZED REPRESENTATIVES

As an authorized employee who has been granted access to Michigan Department of

Treasury (Treasury) tax return information, you are notified that you may not access or disclose tax returns or tax return information without specific authority under our agreement with your agency.

Access to Treasury information, in any media, is allowed on a need-to-know basis to perform your official duties. Before you disclose returns or return information to other employees of the OAG, they must also have a need to know the information in the performance of their official duties.

All unauthorized access to or unauthorized disclosure of tax returns or tax return information is subject to criminal and civil penalties under the Michigan Revenue Act, 1941 PA 122, MCL 205.28(2). The Michigan Revenue Act subjects violators to a felony conviction with criminal penalties of a fine up to \$5,000.00 or imprisonment for up to five years, or both. Convicted violators will also be discharged from state employment and have to pay the costs of prosecution. Violations of the law include an unauthorized disclosure of a tax return, or tax return information, or audit selection, or processing parameters, or browsing confidential information without a business need to know. Browsing includes looking at tax returns or tax return information of yourself, spouse, family members, friends, neighbors, co-workers, or celebrities that have not been assigned to you for processing.

Assurance: _____ must ensure that all access controls and other security features are implemented and are working when installed on their computer system(s). Significant enhancements or other changes to a security system should follow the process of review, independent testing, and installation assurance. The security system must be tested at least annually to ensure it is functioning correctly. All anomalies should be corrected immediately and documented for the annual report to Treasury.

Documentation: Design and test documentation must be readily available. The developer or manufacturer should initially explain the security mechanisms, how they are implemented, and their adequacy (limitations). This information should be passed on to the security officer or supervisor at _____. Test documentation should describe how and what mechanisms were tested and the results. If recognized organizations, tests, or standards are used, then a document to that effect will suffice. For example, a system that has been tested and certified as meeting Common Criteria may have a document stating this fact, which will satisfy the documentation requirement. The agency, however, must ensure the documentation covers the specific computer system used by _____.

Additionally, documentation must include a Security Features Administrator's Guide. The security features Administrator's Guide is addressed to the System's Administrator and the Security Officer of the computer system. It will describe the protection mechanisms provided by the security system, guidelines on their use, and how they interact. This document will present cautions about weaknesses or flaws in the security functions. It will describe privileges that should be controlled when running a secure system. The document will be secured and locked at all times with access rights only by the System's Administrator and Security Officer.

When a security system is designed or purchased for a specific computer or computer system, the security mechanisms must be reviewed to ensure that needed security parameters are met. An independent test should be implemented on the specific computer or computer system to ensure that the security system meets the security parameters. The test may be arranged by the developer, but must be done by an independent organization. _____ will assign responsible individuals (Security Officers) with knowledge of information technology and applications and familiar with technical controls used to protect the system from unauthorized entry to ensure that the system(s) meets security standards. Routine backup and contingency plans must be in place to protect Michigan tax information. A Disaster Recovery plan must be in place to ensure protection of Michigan tax information in case of an emergency.

VII. ELECTRONIC TRANSMISSION OF MICHIGAN TAX INFORMATION

The two acceptable methods of transmitting Michigan tax information over telecommunications devices are encryption and using guided media. Encryption involves altering data objects in a way that the objects become unreadable until deciphered with the appropriate software at the intended destination. Guided media involves transmission of data over twisted pair cable, coaxial cable or end-to-end fiber optics which are typically used in secure computer networks like the state's Local Area Network (LAN), telephone systems, and television distribution.

Cryptography standards have been adopted by the IRS and can be used to provide guidance for encryption, message authentication codes or digital signatures with or without an associated certification infrastructure. For further information see IRS Publication 1075 at the IRS Web site.

Unencrypted cable circuits of fiber optics are an acceptable alternative for transmitting Michigan tax information. Adequate measures must be taken to ensure that circuits are maintained on cable and not converted to unencrypted radio or microwave transmission. Additional precautions should be taken to protect the cable, i.e., burying the cable underground or in walls or floors and providing access controls to cable vaults, rooms and switching centers.

Remote Access: Accessing databases containing Michigan tax information from a remote location that is not directly connected to the Local Area Network (LAN) will require adequate safeguards to prevent unauthorized entry.

For dial-in, the system should require an identification security card that requires both PIN (personal identification number) and card to be in the possession of the end-user. According to DMB-Office of Information Technology, Procedure 1410.17 (4.1), dial-in access into any connected state network will only be permitted after a dial-in user has been authenticated. Authentication is provided through ID and password.

This state-wide security policy explicitly prohibits any PC workstation connected to the state LAN from using direct inward dial capability as this circumvents the state firewall system and constitutes a potential threat to network security. If dial-in servers are established, the department must remove or disable existing PC-based dial-in products. Pursuant to section 6.5 of the above referenced procedure,

agencies that require secure transmissions of data between their internal networked personal computers or between hosts external to the state intranet (intranet is the secured, internal network inside the state's firewall), may choose among several encryption technologies.

VIII. RECORDKEEPING REQUIREMENTS FOR INFORMATION RECEIVED

Paper Documents: Form 2078 Request for Copies of Michigan Tax Return Information

It is agreed that any written request for information will clearly state the need for and intended use of the information and the documents requested. _____ will use the Form 2078, Request for Michigan Tax Information, to request copies of Michigan returns and tax return information (see Attachment A).

The Form 2078 will be signed by the designee authorized to request and receive Michigan tax return information or by the Executive Director of _____. Treasury will provide these tri-part forms to _____ at no cost.

Audit Trail Reporting: _____ agrees to maintain an audit trail of the information requested. _____ will adopt and implement formal procedures for audit trail reporting to:

- A. Insure proper handling of tax returns and tax return information;
- B. Secure and safeguard information from unauthorized use; and
- C. Insure appropriate destruction of information and materials retrieved from Treasury databases.

_____ will develop the audit trail for reporting accesses on a manual or computer tracking system. The following items are the minimum that must be recorded for audit trail reporting to Treasury:

- A. Taxpayer's name
- B. Identification number
- C. Information requested
- D. Purpose of disclosure request
- E. Date information received
- F. Name of Agency/Division and employee making request
- G. Name of other employees who may have had access
- H. Date destroyed
- I. Method of destruction

Electronic Media: _____ will keep an inventory of all electronic media received under this agreement.

Responsible officials must ensure that the removal of tapes and disks and paper documents containing Michigan tax return information from the storage area is properly recorded on charge-out records.

_____ is accountable for missing tapes, disks, and paper documents.

Record Keeping Requirements of Disclosure Made to State Auditors: When disclosures are made

by _____ to State Auditors, these requirements pertain only in instances where the _____ staff extracts Michigan tax returns or tax information for further review of procedures, policies and safeguards with regard to administering the program and includes in their work papers. _____ must identify the hard copies of tax records or if the tax information is provided by magnetic tape format or through other electronic means. The identification will contain the approximate number of taxpayers' records, the date(s) of inspection, the best possible description of the records and the name(s) of the personnel making the inspection.

IX. CONTRACT SERVICES

To the extent _____ employs an independent contractor, consultant, or agent (contractor) to process confidential information which includes Michigan tax return information, _____ will notify the Treasury Disclosure Officer before the execution of any such agreement. Each agreement will include in the agreement the following recommended safeguard provisions:

- A. The identification of confidential tax records and defining security controls are intended to protect Treasury tax return information from unlawful disclosure, modification, destruction of information and unauthorized secondary uses.
- B. Definition of Treasury Tax Return Information: All information obtained in connection with the administration of a tax which includes: the taxpayer's identity, address, the source or amount of his/her income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, over assessment, or tax payments. It also includes whether the taxpayer's return was, is being or will be examined or subject to Treasury's investigation or processing, or any other data, received by, recorded by, prepared by, furnished to or collected by Treasury with respect to a return. Information collected for determining the existence of a liability, or the amount thereof, for any tax, penalty, interest, fine, forfeiture, or other imposition or offense of any person or business entity. The term "tax return information" also includes any and all account numbers assigned for identification purposes.
- C. All tax return data made available in any format will be used only for the purpose of carrying out the provisions of the contract. Information contained in such material will be treated as confidential and will not be divulged in any manner to any person, except as may be necessary in the performance of the contract. In addition, all related output will be given the same level of protection as required for the source material.
- D. The contractor will certify that the data processed during the performance of the contract will be completely purged from all data storage components of their computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor will certify that any Michigan tax data remaining in any storage component will be safeguarded to prevent unauthorized disclosures until purging can be completed.
- E. Destruction of Michigan tax data, including any spoilage or any intermediate hard copy printout

which may result during the processing of Michigan tax return information, will be documented with a statement containing the date of destruction, description of material destroyed, and the method used. Destruction parameters must meet the standards of section X, Disposal of Tax Information, of this agreement.

- F. Computer system security and physical security of tax data stored and processed by the contractor must be in compliance with security guidelines and standards established by the Michigan Department of Treasury. See section VI of the *Interagency Agreement Between the Michigan Department of Treasury and the _____* for more details.
- G. The contractor will be responsible for maintaining a list of employees authorized to access Michigan tax return information and will provide a copy of such list to the Michigan Department of Treasury.
- H. No work involving information furnished under the contract will be subcontracted without the specific approval of the Michigan Department of Treasury. The Contractor and approved subcontractors handling Michigan tax return information will be required to sign the *Vendor Confidentiality Agreement* provided by Treasury (see Attachment B).

X. DISPOSAL OF TAX INFORMATION

Materials furnished to _____, such as copies of tax returns, completed Form 2078, *Request for Michigan Tax Return Information*, computer printouts, carbon paper, notes, memorandums and work papers should be destroyed by burning, mulching, pulping or shredding. If shredded, strips should not be more than 5/16-inch width, microfilm should be shredded to effect a 1/35-inch by 3/8-inch strip, and pulping should reduce material to particles of one inch or smaller.

Data tracks should be overwritten or reformatted a minimum of three times or running a magnetic strip over and under the entire area of the disk at least three times to remove or destroy data on the disk media. Electronic data residing on any computer systems must be purged based on the _____ retention schedule.

_____ will retain all confidential tax information received from Treasury only for the period of time required for any processing relating to the official duties and then will destroy the records. Any confidential tax information that must be kept to meet evidentiary requirements must be kept in a secured locked area and properly labeled as confidential return information. See section V, Procedure for Security, of this agreement for more details.

XI. SECURITY RESPONSIBILITY

_____ or its agents (contractors or vendors) will designate a security person who will ensure that each individual having access to confidential tax information or to any system which processes

Michigan tax return information is appropriately screened and executes an **EMPLOYEE CONFIDENTIALITY AGREEMENT** *before* gaining access or transaction rights (see Attachment C). The Treasury Disclosure Officer will maintain the file of executed copies of this form for each employee.

Each employee's access and transaction rights will be reviewed periodically to ensure that their job responsibilities require access to Treasury tax return information in whatever media it may be displayed.

Information will be made available only to individuals authorized by Treasury. _____ will forward, within thirty days of the date of this Agreement, a list of persons authorized to request and receive information and will update the list every three months or as necessary.

SAMPLE

XII. EFFECTIVE DATE

This Agreement will become effective upon signing of both Agency heads. It is further agreed that this Agreement may be rescinded, for sufficient reason, by either Agency by giving thirty days written notice. This agreement will be reviewed annually by each Agency, and may be modified at that time by a written memorandum that satisfies both parties.

It is agreed that a reasonable fee may be charged for furnishing information to either Agency.

APPROVED

Date

Julie Croll
Chief Deputy State Treasurer
Department of Treasury

APPROVED

Date

Michigan Department of Treasury
2078 (Rev. 4-03)

Distribution: Part I - Disclosure Officer
Part II - Disclosure Officer
Part III - Requester

Request for Michigan Tax Return Information

Issued under authority of P.A. 122 of 1941, as amended.

Send this form to: Michigan Department of Treasury, Office of Hearings and Disclosure, Attn: Disclosure Officer

| PART 1 TO BE COMPLETED BY AGENCY REQUESTING INFORMATION | |
|---|--------------------------------------|
| Name of Government Unit Requesting Information | |
| Address (No. and street, city, state, ZIP) | Printed Name of Agency Head/Designee |
| We are requesting information per MCL 205.28 (1)(f) and an agreement between the agency named above and the Michigan Department of Treasury, Revenue. Please provide the information on the individual or business named below. | |

| Individual Taxpayer | Business Taxpayer |
|-------------------------------------|--|
| Taxpayer Name (both spouse's names) | Business or Corporation Name |
| Taxpayer's Social Security Number | Names of Owners or Partners |
| Spouse's Social Security Number | Federal Employer I.D. Number (FEIN) or Michigan Employer I.D. Number |

Information Requested

☐ Check this box if the information must be certified by the Disclosure Officer and is expected to be presented in court

Type of tax return or tax return information needed:

☐ Individual ☐ Single Business ☐ Sales ☐ Use ☐ Withholding ☐ Other: _____

Copies of returns are requested for these tax years:

Specify other tax return information needed:

Explain the purpose of this request. (Why do you need this information?)

I declare that I am authorized to request and receive the above information under the exchange agreement between the Michigan Department of Treasury and the above governmental unit.

I understand that any Michigan Department of Treasury tax returns or tax return information made available to me will not be divulged or made known in any manner to any person except as may be necessary in the performance of my official duties. Access to Treasury information is allowed on a "need to know" basis to perform my official duties. I further understand that under Section 205.28(1)(f) I may not willfully inspect (browse) any return or information contained in a return. Browsing is defined as examining a return or return information acquired by a person or another person without authorization or without a need to know the information to perform my official duties.

CRIMINAL/CIVIL SANCTIONS

The Michigan Revenue Act, MCL 205.28(2), imposes criminal penalties up to \$5,000 and/or imprisonment for up to 5 years, plus costs if it found that an employee has made an unauthorized disclosure of a tax return or tax return information or divulged any facts or information obtained in connection with the administration of a tax or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the department for a tax administered by the Department of Treasury. If the offense is committed by an employee of this state, the person shall be dismissed from office or discharged from employment upon conviction.

This form and any attached return information provided must be returned to your department liaison in charge of tracking the request, receipt and destruction of Michigan tax return information.

| | | | |
|--|------|-----------------------------------|------|
| Signature of Employee Initiating Request | Date | Signature of Agency Head/Designee | Date |
|--|------|-----------------------------------|------|

| PART 2 TO BE COMPLETED BY TREASURY DISCLOSURE OFFICER | |
|---|------|
| <input type="checkbox"/> The attached information is furnished for tax year(s) _____ | |
| <input type="checkbox"/> The taxpayer filed a return but the return cannot be located for tax year(s) _____ | |
| <input type="checkbox"/> There is no information available under the account number/name given for tax year(s) _____ | |
| <input type="checkbox"/> A return was filed for tax year(s) _____, but it has either been destroyed or is not available. | |
| <input type="checkbox"/> The I.D. number provided is being used by another taxpayer. Please check your records and resubmit your request. | |
| <input type="checkbox"/> Other (explain): _____ | |
| Disclosure Officer | Date |

**EMPLOYEE CONFIDENTIALITY AGREEMENT
STATE OF MICHIGAN AGENCY EMPLOYEES**

Instructions: You must read this entire form before you sign it. This form is your agreement to comply with the confidentiality law. If you do not complete this agreement, you will be denied access to Michigan Department of Treasury information. After you sign and date this form, keep a copy for your records. **File the original copy with the Michigan Department of Treasury, Disclosure Officer, 430 West Allegan Street, Lansing, MI 48922.**

EMPLOYEE NAME: _____

EMPLOYEE'S WORK UNIT

(Provide the name of your Department, Agency, and Division or Office and address)

EMPLOYEE IDENTIFICATION NO. OR DRIVER'S LICENSE NO. _____

Safeguards

The Michigan Revenue Act, section MCL 205.28(1)(f), makes tax information gained by the above state agency from the Michigan Department of Treasury confidential. The Act holds that an employee, authorized representative, former employee or authorized representative who has access to a Michigan tax return and Michigan tax return information will be subject to the same restrictions as Department of Treasury employees or authorized representatives. All unauthorized disclosures of such information are subject to criminal and civil penalties under the Michigan Revenue Act. Penalties can include fines, imprisonment and dismissal from state employment.

Michigan Department of Treasury tax return or tax return information made available to you, which also includes information marked *Official Use Only*, will not be divulged or made known in any manner to any person except as may be necessary in the performance of your official duties. Section 205.28(1)(f) was recently amended and provides that you may not willfully inspect (browse) any return or information contained in a return. Inspection (browsing) is defined as examining a return or return information acquired by a person or another person without authorization and without a need to know the information to perform your official duties.

Tax returns and tax return information may only be used for the express purpose outlined in the Inter-agency Agreement and/or the addendum to the Inter-Agency Agreement established between the Michigan Department of Treasury and the above referenced state agency.

Access to Treasury information, both paper and electronically based information, is allowed on a need-to-know basis to perform your official duties. Before you disclose return or return information to other employees of your department, agency, division or office, they must also have a need to know the information in the performance of their official duties.

Michigan Penalties

The Michigan Revenue Act (P.A. 122 of 1941, as amended), imposes criminal penalties up to \$5,000 and/or imprisonment for 5 years, plus costs, if it found that an employee has made an unauthorized inspection or disclosure of a tax return or tax return information or divulged audit selection or processing parameters. If the offense is committed by an employee of this state, that person will be dismissed from office or discharged from employment upon conviction.

Certification

By signing this agreement, I certify that I have read the above confidentiality provision and understand that failure to comply is a felony.

EMPLOYEE

WITNESS

Print or type name of employee

Print or type witness name

Signature of employee named above

Signature of witness above

Date signed

Date signed

VENDOR CONFIDENTIALITY AGREEMENT

Instructions: Read this entire form before you sign it. After you sign and date this form, keep a copy for your records. File the original with the Agency or company that the product or service is being provided to.

**Enter Vendor, Contractor or
Subcontractor Name and Address**

Enter Federal Identification No.:

Describe in the space below or in an attachment the Product or Service Being Provided To:

(Enter name of State of Michigan Agency)

(Enter Sub-Contractor's Name if product/service furnished to Contractor)

SAFEGUARDS

Any Michigan Department of Treasury tax return or tax return information made available, which also includes information marked **Official Use Only** will be used only for the purpose of carrying out the provisions of the contract entered into between the two entities described above, and will not be divulged or made known in any manner to any person, except as may be necessary in the performance of the contract.

CRIMINAL/CIVIL SANCTIONS

The Michigan Revenue Act, 1941 PA 122, MCL 205.28(1)(f), makes all information gained in administering taxes confidential, except as otherwise provided in the Act. The Act holds that a vendor, contractor or sub-contractor is bound by the same standards of confidentiality as employees and representatives of the Michigan Department of Treasury. This includes viewing tax return information that is not necessary to perform your job (browsing).

This form is your agreement to comply with the confidentiality provisions of the Act. Any vendor, contractor or sub-contractor who does not complete this agreement will be denied access to all confidential Michigan Department of Treasury tax returns and tax information.

A vendor, contractor, or sub-contractor may also be subject to the penalties imposed under the Michigan Revenue Act, 1941 PA 122, MCL 205.28(2). A violator of the confidentiality provisions of the Act is subject to a felony conviction punishable by up to five years in prison, a fine of not more than \$5,000, or both.

CERTIFICATION

By signing this agreement, I certify that I understand that as a vendor, contractor or subcontractor to the above entity, I am governed by the confidentiality provisions of the Michigan Revenue Act, 1941 PA 122, MCL 205.1 et seq. I have read the confidentiality provisions above, and I understand that failure to comply is a felony.

VENDOR'S SIGNATURE

WITNESS

Print/Type Name of Vendor Official
or Employee Signing this Agreement

Print or Type Signature of Witness

Signature of Person Named Above

Signature of Witness above

Date Signed

Date Signed